GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4119
ANSWERED ON:09.08.2002
EUREKA FORBES
ARUN KUMAR

Will the Minister of FINANCE be pleased to state:

(a) whether the Tribunal in the case of Colgate Palmolive India Limited1995 (76) ELT 186 (T) has held that where there are no ex-factory sales and the entire production is transferred to depots, assessable value is to be determined on the basis of depot sale price;

(b) if so, whether Eureka Forbes Limited, Nanital has transferred theentire production of turbo clean to depots but have paid excise duty at the factory thereby undervaluing the goods to the extent of Rs. 3.14 crore on which duty of Rs. 56.51 lakh was leviable in view of the judicial pronouncement cited above; and

(c) if so, the action taken by the Government to realise the duty leviable on the transferred stocks with interest apart of levying penalty for evasion of excise duty?

Answer

MINISTER OF STATE (REVENUE) IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) : Yes , Sir.

(b) & (c) : A Show Cause Notice has been issued to M/s. Eureka Forbes Ltd. Bhowali, Nainital, demanding duty of Rs. 56.51 lakhs.